

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

In the Matter of )  
)  
Policies and Rules Implementing ) CC Docket No. 93-22  
the Telephone Disclosure and Dispute )  
Resolution Act )

COMMENTS OF AMERITECH

Ameritech<sup>1</sup> submits these comments in response to the Commission's Further Notice of Proposed Rule Making in this docket.<sup>2</sup>

The Commission is proposing to amend its rules to include, inter alia, the requirement that, prior to billing for any interstate information service provided pursuant to a "presubscription or comparable arrangement," a carrier must obtain evidence that the presubscription or comparable arrangement has been established in accordance with more detailed Commission requirements. In addition, the Commission proposes to require that any carrier bill including such charges specify the name and business telephone number of the service provider. Ameritech respectfully requests that the Commission not adopt these requirements.<sup>3</sup>

To the extent that the proposed rule would require a carrier to obtain physical evidence of a presubscription agreement -- i.e., a copy of the presubscription agreement -- prior to billing for an information service, the rule would be more than what is necessary to protect legitimate consumer interests and would impose an extreme burden from a local exchange carrier ("LEC") operational perspective. It appears that

<sup>1</sup> Ameritech means: Illinois Bell Telephone Company, Indiana Bell Telephone Company, Incorporated, Michigan Bell Telephone Company, The Ohio Bell Telephone Company, and Wisconsin Bell, Inc.

<sup>2</sup> In the Matter of Policies and Rules Implementing the Telephone Disclosure and Dispute Resolution Act, CC Docket No. 93-22, Order on Reconsideration and Further Notice of Proposed Rule Making, FCC 94-200 (released August 31, 1994) ("FNPRM").

<sup>3</sup> Although Ameritech has decided not to bill for information services accessed via 800 numbers, it submits these comments in the interest of encouraging the Commission not to adopt rules that are more burdensome than necessary to protect legitimate consumer interests.

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the Commission decided to "tighten up" the circumstances under which LECs can bill for information services because it believes that abuses were occurring because information providers ("IPs") themselves are not directly subject to FCC regulations.<sup>4</sup> Although not explicitly stated, one of the problems alluded to in the FNPRM was an IP practice of relying on "on-line" procedures to establish a presubscription arrangement.

In cautious defense of the more conscientious members of the IP industry, Ameritech would note that there was no reason to believe that the Commission's pay-per-call rules as currently drafted specifically require a written presubscription agreement. After all, in the context of PIC changes -- a situation in which there were allegations of widespread fraud and abuse (i.e., "slamming") -- the Commission adopted rules that do not require written evidence of the customer's presubscription arrangement. In fact, one of the permitted methods by which an interexchange carrier ("IXC") may obtain a customer's PIC authorization is by having the customer place a telephone call from the PIC subject line to a toll free telephone number and then using the ANI of the line to establish the PIC arrangement.<sup>5</sup>

Moreover, at least initially, one of the main problems with "on line" presubscription -- i.e., the fact that calls might be placed from and charged to telephone numbers without the knowledge of the particular subscriber -- was not readily apparent. However, once the problem did become apparent, the industry trade association, the Interactive Services Association ("ISA"), worked to implement guidelines which attempted to address the problem. The guidelines, which became effective in June, 1994 and which are included herewith as Attachment A, require either a written authorization or telephonic authorization via a call to a no-charge 900 number.

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<sup>4</sup> FNPRM at ¶ 30.

<sup>5</sup> See, In the Matter of Policies and Rules Concerning Changing Long Distance Carriers, CC Docket No. 91-64, Report and Order, FCC 91-398 (released January 9, 1992), 7 FCC Rcd. 1038; recon., FCC 93-202 (released May 14, 1993), 8 FCC Rcd. 3215.

(The latter means of authorization would, of course, preclude authorizing calls from a line for which 900 blocking had already been ordered.) In addition, the guidelines include the implementation of a mechanism by which customers can block access from their telephone to 800 information services offered by member IPs. This good faith effort on the part of the industry leads Ameritech to conclude that many of the "problems" of unauthorized access to 800 information services will be "resolved."

While Ameritech does not object to the Commission's now specifying that a presubscription agreement need be in writing, it does suggest that a requirement that carriers have evidence of that written authorization in hand before they bill for IP information services is unnecessary to reasonably protect legitimate consumer interests. Rather, it should be sufficient that the LECs require, as part of their billing and collection agreements, that IPs comply with the Commission's requirements and reasonably utilize termination of the agreement as the "penalty" for serious violation.

With respect to the Commission's requirement to provide additional information on customer bills, specifically the requirement to put the service provider's name and business telephone number on the bill, Ameritech suggests that requirement is also unnecessary. Clearly, carriers must have that information readily available.<sup>6</sup> In most cases of interstate information calls, that information is made available by the IXC that assigns the telephone number to the IP and submits the IP charges to the LEC for billing. The Commission has not indicated that there have been any serious problems in that regard. Requiring the placement of additional names and telephone numbers associated with particular calls on the bill would only clutter the bill and create confusion for consumers. In Ameritech's experience, the more information contained on a customer's bill, especially information that is not critical to the identification of a particular charge, the more likelihood of customer confusion and complaint. As long as

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<sup>6</sup> Section 64.1509 of the Commission's rules.

an inquiry telephone number appears on the bill and as long as the appropriate carrier stands prepared to make the required information available to an inquiring customer, there should be no requirement to put all that information on the bill itself.

In light of the foregoing, the Commission should not require that carriers obtain written evidence of a presubscription agreement prior to billing for an information service offered pursuant to a written presubscription or similar arrangement. Rather, the Commission should simply require that carriers, in their billing contracts, require their billing customers to comply with appropriate Commission rules. Second, the Commission should not require carriers to include the service provider's name and business address in the bill information concerning charges for interstate information services.

Respectfully submitted,



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**ISA TEST GUIDELINES  
GOVERNING 800 PRESUBSCRIPTION  
June 17, 1994**

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**I. STATEMENT OF PURPOSE.**

The Interactive Services Association ("ISA"), representing the business and public policy interests of the pay-per-call industry endorses, by those companies who chose to do so, testing the voluntary procedures developed by ISA members who were previously NAIS members. The ISA believes in the importance of the long-term viability of the 800 presubscription billing option while at the same time ensuring that consumers are protected.

The industry is very concerned with the growing problem of unauthorized access to certain 800 presubscribed services. For this reason, the former NAIS (recently merged with the ISA) convened the 800 Presubscription Working Group on March 1, 1994 to review the problems associated with 800 presubscription and to develop industry-wide standards governing the current and future use of 800 presubscribed services. The ISA Working Group consists of representatives from the interexchange and local exchange carriers, third party billing entities, service bureaus and information providers.

**II. THE PRESUBSCRIPTION EVENT SHALL CONSIST OF THE FOLLOWING REQUIREMENTS:**

A. **The Initial Customer Call.** Except as provided in sections III.A and C below, a provider of presubscribed 800 services ("Provider") shall, at the time of the customer's initial call ("Initial Call") to the service, obtain the customer's name, home address, home telephone number and date of birth. In addition, each Initial Call shall be validated against Line Information Data Bases ("LIDB") pursuant to the LIDB requirements set forth in section V below.

B. **Compliance with the Current FCC/FTC Regulations Governing 800 Presubscribed Services.** In order to establish a valid presubscription agreement or comparable arrangement with the customer, the Provider shall:

1. Clearly and conspicuously disclose to its customer all material terms and conditions associated with the use of the Provider's service, including the Provider's name and address, a business telephone number which the customer may use to obtain additional information or to register a complaint, and the rates for the service;

2. Agree to notify the customer of any future rate changes;
3. Obtain the agreement of the customer to utilize the service on the terms and conditions disclosed by the Provider; and
4. Require the use of a personal identification number ("PIN") or other means to prevent unauthorized access of the service.

### III. CONFIRMING THE EXISTENCE OF A PRESUBSCRIPTION AGREEMENT.

In addition to complying with the requirements in section II above the Provider shall confirm the existence of a valid presubscription agreement or comparable arrangement through the use of one of the following methods:

A. **Written authorization**, in which the Provider shall obtain:

1. the customer's name, home address, home telephone number and date of birth;
2. a statement that the customer has decided to use the Provider's service;
3. a statement acknowledging the customer's understanding of and agreement with the Provider's terms and conditions of service; and
4. the customer's signature.

Note: This method shall not be subject to the Initial Call requirements set forth in section II.A. A PIN shall not be issued to the caller until written authorization has been received by the Provider from the customer.

B. **Written Notice Mailed/Customer Call Back**, in which the Provider shall:

1. comply with the Initial Call requirements set forth in section II.A;
2. mail a written notice to the customer's home address which confirms the customer's desire to establish a presubscription agreement and provides the customer with a PIN; and
3. require the customer to call back to a 900 number to activate the PIN and to commence billing for the presubscribed service. Providers shall establish one or more 900 numbers for which there shall be no charge to the customer for such confirmation. During the activation call, which must be made from the customer's home telephone, the customer shall be required to enter the billing

telephone number from which he or she is calling, the assigned PIN and his/her date of birth. The Provider shall perform a LIDB look-up during this call back.

C. **Direct Mail With Written Notification**, in which the Provider shall:

1. mail a promotional piece in a sealed envelope directly to the potential customer which contains a unique PIN assigned to the customer's name and home address;
2. require the customer to call an 800 number to activate the PIN. During the activation call, which must be made from the customer's home telephone, the customer shall be required to enter the information required by section II.A above and the assigned PIN. The caller will not be able to access the Provider's service during the activation call described in this section; and
3. mail a letter to the customer confirming the existence of a presubscription agreement, its terms and conditions, and provide a customer service number for blocking and/or inquiries.
4. After the activation call described in C.2 above, the customer shall be required to call back in order to access the Provider's services.

Note: This method shall not be subject to the Initial Call requirements set forth in section II.A.

D. **Electronic or Live Operator Authorization Using a 900 Number**.

1. After the Initial Call, allow for electronic or manual authorization that confirms the information described in section II.A. Providers shall establish one or more 900 telephone numbers for which there shall be no charge to the customer for such confirmation. Calls to the 900 number(s) will connect the customer to a voice response unit or a live operator that requires the customer to input the information described in section II.A.

**IV. BLOCKING OF 800 PRESUBSCRIBED SERVICES SHALL BE PROVIDED BY THE FOLLOWING MEANS:**

- A. A nationwide 800 presubscription blocking database shall be established and added to the required LIDB look-up. Within sixty (60) calendar days from the date that industry users agree upon a billing method for use of the database, customers will be able to use an 800 number to block or unblock their ANI.

- B. The customer mailing piece shall list the telephone number to request blocking of 800 presubscribed services.
- C. All billing entity customer service centers shall provide the customer, upon request, with the telephone number to order blocking of presubscribed services.

**V. LIDB REQUIREMENTS AND REJECT CODES.**

- A. First time callers shall be bounced against LIDB. If a first time query gives a non-reject code, then that ANI must be checked in increments no longer than seven (7) calendar days since either the last query for that ANI or the last time that ANI attempted (successful or not) to access the Provider's service.
- B. The customer's ANI shall be validated when the billable PIN is activated, regardless of the time between LIDB queries for that customer's ANI. Only one PIN shall be issued per ANI and the billing telephone number ("BTN") and the ANI must match at all times.
- C. All LIDB queries shall request a "collect call verify" format, since there does not currently exist an "information services" LIDB verification request.
- D. A Provider who receives the following unconditional codes from the LIDB response shall reject the ANI:

**Unconditional Reject Codes**

214 - No Collect Calls  
216 - Billed Number Screening (BNS), Public Coin Phone  
217 - Billed Number Screening (BNS), Public Non-Coin Phone  
218 - Billed Number Screening (BNS), Semi-Public Coin Phone

- E. A Provider who receives the following codes from the LIDB response shall either:
  - 1. reject the ANI; or
  - 2. re-request until:
    - (a) a non-reject code is received;
    - (b) an unconditional reject code is received; or
    - (c) reject because a conditional code set forth below is repeatedly being received.

### **Conditional Reject Codes**

- 201 - BNS, Missing Customer Record (XXXX line check failure)
- 202 - LIDB Missing Group, NPA NXX Check Failure
- 203 - LIDB Destination Point Code Table Failure (local reject)
- 205 - SS7 Network Problem
- 206 - No Host
- 207 - LIDB Access Denied
- 209 - Network Message Error
- 219 - LIDB Response Unrecognized
- 220 - System Error/System Time-Out
- 221 - No Host
- 222 - No Host
- 223 - LIDB Screened Response Error Message
- 224 - LIDB Misroute Error Message
- 225 - LIDB Reject Component Error Message
- 226 - LIDB Component Sequence Error Message
- 227 - SS7 Unitdata Service Message, Network Problem

### **VI. EFFECTIVE DATE.**

The *ISA Test Guidelines Governing 800 Presubscription* shall be effective on or before June 20, 1994. While almost all companies involved in this process have stated their ability to implement the above test guidelines by June 20, a few companies may not be able to fully implement the guidelines until June 27, 1994.

**PLEASE NOTE:** If you have any questions regarding this document, please contact the Interactive Services Association: Robert L. Smith, Jr., Executive Director (301/495-4955) or Bill Burrington, Esq., Public Policy Counsel (202/833-2333). Thank you.

**CERTIFICATE OF SERVICE**

I, Deborah L. Thrower do hereby certify that a copy of the foregoing  
Comments of Ameritech has been served on the parties listed on the attached  
service list, by first class mail, postage prepaid, on this 10th day of October 1994.

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